FEBRUARY 24, 2022

RZHadvisors

RZH MARKET UPDATE

Dear clients and friends of RZH,

Less than 40 days ago I delivered our 2021 Year End Letter which included the following:

"In general, consensus for the coming year is that (a) the lethality of the virus continues to wane, (b) the world economy continues to reopen and supply chain issues clear (c) corporate earnings continue to advance, (d) the Federal Reserve begins draining excess liquidity from the banking system, (e) inflation subsides somewhat, and (f) barring some other exogenous variable - which we can never really do - equity values continue to advance, though at something less (and probably a lot less) than the blazing pace at which they've been soaring since the market trough of March 2020. Please don't mistake this for a forecast on my part. This is merely market consensus of outcomes that seem more likely than not. I'm fully prepared for any or all of the above points to be wrong; if and when they are, my recommendations to you will be unaffected, since our investment policy is driven entirely by the plan we've made, and not by current events."

Russia/Ukraine is the exogenous variable du jour. The investment policy of a goal-focused, plan-driven, long-term investor should be unaffected by it.

Before rallying to close today above 4,285 (actually rising 1.4% today) the S+P 500 fell to about 4,114 – down about 14% from its January 3rd high. Does this number ring a bell? 14% is the average intra-year drawdown for the S+P 500 over the last 40 years. As your financial advisor and steward, we do not suggest changes based on average market volatility. I know this does not feel "average" but so far it has been, at least in terms of market reaction.

What we have been doing over the last few weeks is being proactive in this environment: adding value by tax-loss harvesting, rebalancing strategies, shortening bond duration, and increasing the market capitalization of our stock holdings.

Carl's obligatory statistic on this: looking back through the history of similar geopolitical events the average duration of market decline is three weeks – followed by three weeks of recovery.

All of this aside, the news of the day is very disturbing and unsettling. The media is extrapolating today's events to unthinkable outcomes. This is normally the case with unforeseen geopolitical conflict. All of us at RZH are here for you and ready to speak about your planning and portfolio. Please do not hesitate to reach out.

Best regards,

Carl

Important Disclosure Information

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by RZH Advisors ("RZH"), or any non-investment related content, made reference to directly or indirectly in this commentary will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this commentary serves as the receipt of, or as a substitute for, personalized investment advice from RZH. Please remember to contact RZH, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services, or if you would like to impose, add, or to modify any reasonable restrictions to our investment advisory services. RZH is neither a law Firm, nor a certified public accounting Firm, and no portion of the commentary content should be construed as legal or accounting advice. A copy of the RZH's current written disclosure Brochure discussing our advisory services and fees continues to remain available upon request, or at www.rzhadvisors.com.

Historical performance results for investment indices, benchmarks, and/or categories have been provided for general informational/comparison purposes only, and generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your RZH account holdings correspond directly to any comparative indices or categories. Please Also Note: (1) performance results do not reflect the impact of taxes; (2) comparative benchmarks/indices may be more or less volatile than your RZH accounts; and, (3) a description of each comparative benchmark/index is available upon request.

Please Note: Limitations: **Neither rankings and/or recognitions by unaffiliated rating services, publications, media, or other organizations, nor the achievement of any designation, certification, or license should be construed by a client or prospective client as a guarantee that he/she will experience a certain level of results if RZH is engaged, or continues to be engaged, to provide investment advisory services. Rankings published by magazines, and others, generally base their selections exclusively on information prepared and/or submitted by the recognized adviser. Rankings are generally limited to participating advisers (see link as to participation data/criteria, to the extent applicable). Unless expressly indicated to the contrary, RZH did not pay a fee to be included on any such ranking. No ranking or recognition should be construed as a current or past endorsement of RZH by any of its clients. ANY QUESTIONS: RZH's Chief Compliance Officer remains available to address any questions regarding rankings and/or recognitions, including the criteria used for any reflected ranking.**

***** About the Forbes Ranking: The Forbes ranking of America's Top Women Wealth Advisors, developed by SHOOK Research, is based on an algorithm of qualitative and quantitative data, rating thousands of wealth advisors with a minimum of seven years of experience and weighing factors like revenue trends, assets under management, compliance records, industry experience and best practices learned through telephone and in-person interviews. Portfolio performance is not a criteria due to varying client objectives and lack of audited data. Neither Forbes or SHOOK receive a fee in exchange for rankings.***